

Current Annual Report

TOURISM

A. Program Description

The County of Kauai Office of Economic Development–Tourism program works in partnership with the Kauai Visitors Bureau and other tourism entities including community, government and business to strengthen and build the tourism industry in the County of Kauai. While the Kauai Visitors Bureau concentrates mainly on the Marketing/Advertising aspects of tourism, including helping visitors choose Kauai as their destination of choice for a vacation or business convention, the County of Kauai Office of Economic Development focuses on building the product of “Kauai” or “Destination Enhancement”. The product is what we present to the visitors upon their arrival here.

OED/Tourism strives to accomplish programs in the following areas: visitor homepage development for Kauai; support and funding for coordination of consumer tradeshows off island; issuing and administering cooperative grants to organizations for projects that have cultural meaning or improve Kauai as a product for visitors and kamaainas; design of new promotional material to allow Kauai to be promoted in a realistic and inviting manner; assisting the public with information queries relating to statistics on the island's economy and general demographics about the island; promoting Kauai made products to the visitor marketplace; locating available grants to improve the island as a visitor destination; and assisting with unique events on the island.

B. Program Highlights

Grant Funds Received

In CY 2004, Tourism received \$82,500 from the Hawaii Tourism Authority (HTA) for the Greetings Program at the Airport and Harbor, for greetings from January 2004 through December 2004. Tourism also received \$400,000 in County Product Enrichment Program monies from the Hawaii Tourism Authority for a continued program in which the County of Kauai would oversee the funding for all festivals and events and product enrichment projects for the island. These funds covered the period of January 2004-December 2004 with the same amount of funds in CY 2005 and CY 2006 if available. In addition, Fern Grotto Rejuvenation Grant funds from the HTA in the amount of \$245,000 were also received.

Grant Funds Distributed

We continued to support local island festivals via our Special Events and Grants program and via the Hawaii Tourism Authority's CPEP program. Approximately 46 grants were awarded and closely monitored. Events such as the King Kamehameha Day Parade, the Light Parades, Kauai Veterans Day Parade, Kauaian Days Celebration, E Pili Kakou, Kauai Polynesian Festival, Koloa Plantation Days, Mokihana Festival, Koloa Plantation Days Rodeo and others were funded. Along with the CPEP program, Tourism continued and has grown a generic marketing program for all the festivals and events on Kauai, which includes a mass calendar of events, beautiful 6 month color brochures, guide to advertising your event on Kauai and weekly ads in the Friday Garden Island Newspaper. In addition, the Kauai Festivals Website has finally been launched and is going into training phase for the partners to utilize the site. OED would like to thank the Kauai Visitors Bureau and Tsunami Marketing for their partnership in bringing this website to fruition.

Mayor's Priority Projects:

Mayor Baptiste has outlined several projects to enhance our efforts relative to Tourism. Tourism was given 4 priority projects. The first such project worked on in FY 2004 is the Walking Tours Project. The concept is to identify towns that could sustain a walking tour program that would showcase the history and culture of the town. We have currently funded with HTA monies a walking tour in Hanapepe Town. Next we will be looking for partners who will assist us with a partnership in developing a Lihue Town Walking Tour. The second project is identifying additional product enrichment programs that the County can spearhead which will complement HTA's projects. This plan is in development. Additionally we are working on developing an "adopt a restroom" program (partnership between private sector and County to refresh and improve public restrooms at high traffic destinations), and improvements to parking in Hanapepe Town to allow greater ease in visiting and patronizing the shops there.

Other Promotional Programs

We continued to support our local tourism vendors by funding the Kauai Visitors Bureau to take teams of Kauai musicians, florists and vendors to consumer shows in North America, to promote our island as a destination and to promote our Kauai products. We continue to refine and grow the Ambassadors of Aloha Program, providing Kauai promotional materials for residents to give to incoming special guests/sport teams etc., as well as taking them to the mainland to help sell Kauai as a preferred destination.

Safety Issues

For safety and security of our visitors and locals, OED has reprinted the Kauai Beach Safety guide and keep them stocked at our racks around the island as well as the VIP service at the airport and docks. In addition we have launched the kauaiexplorer.com website, which is an educational site regarding beach safety on Kauai and includes a fun "beach tips" site for visitors. We have also purchased a full-page ad in the "drive guide," which is available, free of charge, with every car rental on Kauai. This ad emphasizes beach safety and lists "preferred" beaches, in an attempt to steer visitors toward Kauai's safer, guarded beaches.

C. Program Evaluation/Impact

The Kauai tourism economy continues to build. Cruise ship arrivals continue to grow with the permanent entry of Norwegian Cruise Lines. Our infrastructure continues to feel the pressure from the increase in daily visitors. Successful promotional and marketing efforts undertaken by the County, the Kauai Visitors Bureau, the Kauai Economic Development Board and private industry have all resulted in strong performance in the area of tourism for FY 03-04. Shared goals continue to be impacting length of stay and daily expenditures of visitors, versus increasing the number of visitor arrivals. Additionally, legislative advocacy and support undertaken by organizations such as the Kauai Chamber of Commerce, the County of Kauai, the Kauai Visitors Bureau and the Kauai Planning and Action Alliance have resulted in a more cohesive approach toward sustaining a viable tourism industry on Kauai, especially in the areas of park improvement and maintenance. Several groups are working towards finding support for both County and State Parks on Kauai. In a study done by the Hawaii Tourism Authority, Kauai's State Parks remain our main attraction. With the industry still on solid footing, the County of Kauai intends to continue to focus tourism resources toward maintaining and upgrading the islands natural assets. We will also continue to be active participants in community discussions regarding the visitor industry and its impacts on our people and resources. The Tourism Section of OED intends to pursue this important task as a first priority in the coming year and leave the bulk of marketing and promotion to other entities, such as the Kauai Visitors Bureau.

D. Program Measures

	Cal Yr 2002 Actual	Cal Yr 2003 Actual	Cal Yr 2004 Estimate
Visitor Arrivals	1,005,897	972,629	995,000
Hotel Occupancy	70.18%	73.16%	75%
Average Daily Room Rate	145.13	148.55	149.50
Unemployment	5.4%	5.0%	

Program Resources (General Fund)

Expense Type	FY 2002 Actual	FY 2003 Appropriation	Request	FY 2004 Expansion	Total
Equivalent Personnel (E/P)	1.0	1.0	1.0	0.0	1.0
Salaries and Wages	\$41,772	\$48,390	\$49,344	\$0	\$49,344
Operations					
*OED Operations	\$200,000	\$252,500	\$242,500	\$0	\$242,500
Special Events and Grants	\$50,000	\$50,000	\$81,000	\$0	\$81,000
Equipment	\$0	\$0	\$0	\$0	\$0
Program Total	\$291,772	\$350,890	\$372,844	\$0	\$372,844

E. Future Outlook

The strength of this tourism program lies in its ability to stay connected with Kauai's visitor industry and its residents and their respective issues and concerns. Because of the strength of the visitor industry and its importance to Kauai's economy, we need to also continue to be involved in the overall discussion of how Kauai can best accommodate the current level of visitor activity as well as any future increases there may be. OED-Tourism supports more public awareness of the possibilities in tourism and completing projects that benefit both the community and the visitor industry.